

PLEA AGREEMENT ROUTING SLIP

USAO NO: 2001R02877.

Date: Jan 24, 2005

From: Dana J. Boente

Defendant: Mary Jo Karczewski

Case No: 1:05CR37

Date Plea Scheduled: Jan 25, 2005

[X] Pre-Indictment Plea [] Post-Indictment Plea

1. Optional Sentences or Paragraphs Deleted:

[X] Detention [X] Forfeiture
[] Substantial Assistance [] Cooperation
[X] Immigration [X] Tax Language
[] No Other Conditions

2. Modifications or Additions

Page No. Paragraph No.

3. Is Restitution Applicable:

[X] Yes [] No If yes, are victims fully and correctly identified and the amount due each stated within plea agreement: [] Yes [] No

4. Defendant has agreed to plead guilty to the most serious, readily provable offense.

[X] YES [] NO

5. Defendant has agreed to plead guilty to a readily provable gun count.

[] Not Applicable, the defendant did not use, carry or possess a firearm
[] YES [] NO

6. Stipulation(s) have been reached regarding the following guideline factors.

(Check those that apply):

[] Drug quantity [] Gun
[] Role [X] Acceptance
[] Safety Valve [X] Loss
[] Other (list): _____

7. Stipulated guideline factors are the most serious, readily provable guideline factors applicable to the defendant's conduct.

[X] YES [] NO

8. An agreement not to file an information regarding prior convictions has been reached.

[X] Not Applicable [] YES [] NO

9. Victim Financial Information Memo completed.

[] YES [X] NO

10. Defendant Financial Information Memo completed.

[] YES [X] NO

(Reminder: E-mail your final statement of facts to Sam Dibbley once the plea has been taken before the Judge)

PLEA AGREEMENT APPROVAL

To: _____
Unit Supervisor

Approved: _____
Date: _____

To: **Robert A. Spencer**
Chief, Criminal Division
or Kevin V. Di Gregory
Deputy Chief, Criminal Division

[For Acts of Terrorism, National Security, RICO, Corporate Fraud, Public Corruption, Homicide, or Special Public or Agency Interest]

Approved: _____
Date: _____

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)	
)	
v.)	CRIMINAL NO. 1:05CR37
)	
MARY JO KARCZEWSKI,)	
)	
Defendant.)	

PLEA AGREEMENT

Paul J. McNulty, United States Attorney for the Eastern District of Virginia, Dana J. Boente, Assistant United States Attorney, the defendant, Mary Jo Karczewski, and the defendant's counsel have entered into an agreement pursuant to Rule 11 of the Federal Rules of Criminal Procedure. The terms of the agreement are as follows:

1. Offense and Maximum Penalties

The defendant agrees to waive indictment and plead guilty to a two count criminal information charging the defendant with conspiracy to commit mail fraud in violation of Title 18, United States Code, Section 371, and bank fraud in violation of Title 18, United States Code, Section 1344. The maximum penalty for the conspiracy offense is a maximum term of five years of imprisonment, a fine of \$250,000, full restitution, a special assessment, and three years of supervised release. The maximum penalty for bank fraud is a maximum term of thirty years of imprisonment, a fine of \$1,000,000, full restitution, a special assessment, and five years

of supervised release. The defendant understands that this supervised release term is in addition to any prison term the defendant may receive, and that a violation of a term of supervised release could result in the defendant being returned to prison for the full term of supervised release.

2. Factual Basis for the Plea

The defendant will plead guilty because the defendant is in fact guilty of the charged offense. The defendant admits the facts set forth in the statement of facts filed with this plea agreement and agrees that those facts establish guilt of the offense charged beyond a reasonable doubt. The statement of facts, which is hereby incorporated into this plea agreement, constitutes a stipulation of facts for purposes of Section 1B1.2(a) of the Sentencing Guidelines.

3. Assistance and Advice of Counsel

The defendant is satisfied that the defendant's attorney has rendered effective assistance. The defendant understands that by entering into this agreement, defendant surrenders certain rights as provided in this agreement. The defendant understands that the rights of criminal defendants include the following:

- a. the right to plead not guilty and to persist in that plea;
- b. the right to a jury trial;
- c. the right to be represented by counsel - and if

- necessary have the court appoint counsel - at trial and at every other stage of the proceedings; and
- d. the right at trial to confront and cross-examine adverse witnesses, to be protected from compelled self-incrimination, to testify and present evidence, and to compel the attendance of witnesses.

4. Role of the Court and the Probation Office

The defendant understands that the Court has jurisdiction and authority to impose any sentence within the statutory maximum described above but that the Court will determine the defendant's actual sentence in accordance with 18 U.S.C. § 3553(a). The defendant understands that the Court has not yet determined a sentence and that any estimate of the advisory sentencing range under the U.S. Sentencing Commission's Sentencing Guidelines Manual the defendant may have received from the defendant's counsel, the United States, or the Probation Office, is a prediction, not a promise, and is not binding on the United States, the Probation Office, or the Court. Additionally, pursuant to the Supreme Court's decision in *United States v. Booker*, No. 04-104, 2005 WL 50108 (U.S. Jan. 12, 2005), the Court, after considering the factors set forth in 18 U.S.C. § 3553(a), may impose a sentence above or below the advisory sentencing range, subject only to review by higher courts for reasonableness. The United States

makes no promise or representation concerning what sentence the defendant will receive, and the defendant cannot withdraw a guilty plea based upon the actual sentence. Notwithstanding the foregoing, the parties agree that there exists no aggravating or mitigating circumstance of a kind, or to a degree, not adequately taken into consideration by the Sentencing Commission in formulating the Guidelines that should result in a sentence outside of the advisory guidelines range. Accordingly, the parties agree not to seek or support any sentence outside of the advisory guideline range for any reason not set out explicitly in this agreement.

5. Guideline Stipulations

The United States and the defendant agree that the loss for the mail fraud scheme is in excess of \$2,500,000 but less than \$5,000,000. Pursuant to U.S.S.G., Section 2F1.1(b)(1), the loss results in an offense level of 19. The parties agree that the conduct warrants a two point increase in the offense level because it involved more than minimal planning or was a scheme to defraud more than one victim pursuant to U.S.S.G., Section 2F1.1(b)(2). The parties agree that the conduct warrants a three point increase in the offense level for the defendant's aggravating role activity as a manager or supervisor of criminal activity that involved five or more individuals or was otherwise extensive pursuant to

U.S.S.G., Section 3B1.1. The parties agree that the conduct warrants a two point increase level in the offense level for the abuse of a position of trust pursuant to U.S.S.G., Section 3B1.3.

6. If the defendant admits the entirety of her criminal conduct, including any relevant conduct for which the defendant is accountable under U.S.S.G., Section 1B1.3, the parties agree that the agreement to plead guilty warrants a reduction of three offense levels pursuant to U.S.S.G., Section 3E1.1.

7. Waiver of Appeal and Review

The defendant also understands that Title 18, United States Code, Section 3742 affords a defendant the right to appeal the sentence imposed. Nonetheless, the defendant knowingly waives the right to appeal the conviction and any sentence within the statutory maximum described above (or the manner in which that sentence was determined) on the grounds set forth in Title 18, United States Code, Section 3742 or on any ground whatsoever, in exchange for the concessions made by the United States in this plea agreement. This agreement does not affect the rights or obligations of the United States as set forth in Title 18, United States Code, Section 3742(b). The defendant also hereby waives all rights, whether asserted directly or by a representative, to request or receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without limitation any records that may be

sought under the Freedom of Information Act, Title 5, United States Code, Section 552, or the Privacy Act, Title 5, United States Code, Section 552a.

8. Waiver of DNA Testing

The defendant also understands that Title 18, United States Code, Section 3600 affords a defendant the right to request DNA testing of evidence after conviction. Nonetheless, the defendant knowingly waives that right. The defendant further understands that this waiver applies to DNA testing of any items of evidence in this case that could be subjected to DNA testing, and that the waiver forecloses any opportunity to have evidence submitted for DNA testing in this case or in any post-conviction proceeding for any purpose, including to support a claim of innocence to the charges admitted in this plea agreement.

9. Special Assessment

Before sentencing in this case, the defendant agrees to pay a mandatory special assessment of one hundred dollars (\$100.00) per count of conviction.

10. Payment of Monetary Penalties

The defendant understands and agrees that, pursuant to Title 18, United States Code, Sections 3613, whatever monetary penalties are imposed by the Court will be due and payable immediately and subject to immediate enforcement by the United States as provided for in Section 3613. Furthermore, the defendant agrees to provide

all of his financial information to the United States and the Probation Office and, if requested, to participate in a pre-sentencing debtor's examination. If the Court imposes a schedule of payments, the defendant understands that the schedule of payments is merely a minimum schedule of payments and not the only method, nor a limitation on the methods, available to the United States to enforce the judgment. If the defendant is incarcerated, the defendant agrees to participate in the Bureau of Prisons' Inmate Financial Responsibility Program, regardless of whether the Court specifically directs participation or imposes a schedule of payments.

11. Restitution for Offense of Conviction

The defendant agrees to the entry of a Restitution Order for the full amount of the victims' losses. At this time, the Government is aware that the following victims have suffered the following losses:

Litton Loan Servicing Co. LP Securitization, LLC (C-Bass) Attn: Ann Kelley, Vice President/General Counsel 4828 Loop Central Drive Suite 600 Houston, TX 77081	\$147,554
Cavalry Investment Attn: Janette Welsh P.O. Box 9 Hawthorne, NY 10532	\$53,815
Wachovia Corporation Mail Code: VA9204	\$115,199

Attn: Amy Shifflett
P. O. Box 711
Charlottesville, VA 22901

FairBanks Capital \$609,019
Attn: Susie Hirschi
3815 South West Temple
Salt Lake City, UT 84115

Equicredit Corporation \$338,023
Consumer Special Assets R/E
FL 9-400-04-23
9000 Southside Blvd.
Jacksonville, FL 32256

NationsCredit \$34,552
Attn: Louise Summerlin
Consumer Special Assets R/E
FL 9-400-04-23
9000 Southside Blvd.
Jacksonville, FL 32256

Delta Funding Corporation \$406,266
Attn: Legal Department
1000 Woodbury Road
Woodbury, NY 11797

AmeriCredit Corporation \$287,834
Attn: Carrie Matthies
801 Cherry Street
Suite 3900
Fort Worth, Texas 76102

PCFS Mortgage Resources \$840,370
Attn: Jim Pechiney
309 Vine Street
Mail stop 198D
Cincinnati, OH 45202

Homecomings Financial \$131,292
One Meridian Crossings
Suite 1000
Minneapolis, MN

Homecomings Financial \$168,396
f/k/a Mortgage Lenders Network
USA, Inc.
One Meridian Crossings
Suite 1000
Minneapolis, MN

U.S. Bank \$3,076
P.O. Box 1038, CN-OH-X5
Cincinnati, Ohio 45201

12. Immunity from Further Prosecution in this District

The United States will not further criminally prosecute the defendant in the Eastern District of Virginia for the specific conduct described in the information or statement of facts.

13. Payment of Taxes and Filing of Tax Returns

The defendant consents to any motion by the United States under Rule 6(e)(3)(E) of the Federal Rules of Criminal Procedure, to disclose grand jury material to the Internal Revenue Service for use in computing and collecting the defendant's taxes, interest and penalties, and to the civil and forfeiture sections of the United States Attorney's Office for use in identifying assets and collecting fines and restitution. The defendant also agrees to file true and correct tax returns for the years 1997 through 2001 within sixty days and to pay all taxes, interest and penalties for the years 1997 through 2001 within a reasonable time in accordance with a plan to be devised by the Probation

Office. The defendant further agrees to make all books, records and documents available to the Internal Revenue Service for use in computing defendant's taxes, interest and penalties for the years 1997 through 2001.

14. Breach of the Plea Agreement and Remedies

This agreement is effective when signed by the defendant, the defendant's attorney, and an attorney for the United States. The defendant agrees to entry of this plea agreement at the date and time scheduled with the Court by the United States (in consultation with the defendant's attorney). If the defendant withdraws from this agreement, or commits or attempts to commit any additional federal, state or local crimes, or intentionally gives materially false, incomplete, or misleading testimony or information, or otherwise violates any provision of this agreement, then:

- a. The United States will be released from its obligations under this agreement, including any obligation to seek a downward departure or a reduction in sentence. The defendant, however, may not withdraw the guilty plea entered pursuant to this agreement;
- b. The defendant will be subject to prosecution for any federal criminal violation, including, but not limited to, perjury and obstruction of justice,

that is not time-barred by the applicable statute of limitations on the date this agreement is signed. Notwithstanding the subsequent expiration of the statute of limitations, in any such prosecution, the defendant agrees to waive any statute-of-limitations defense; and

- c. Any prosecution, including the prosecution that is the subject of this agreement, may be premised upon any information provided, or statements made, by the defendant, and all such information, statements, and leads derived therefrom may be used against the defendant. The defendant waives any right to claim that statements made before or after the date of this agreement, including the statement of facts accompanying this agreement or adopted by the defendant and any other statements made pursuant to this or any other agreement with the United States, should be excluded or suppressed under Fed. R. Evid. 410, Fed. R. Crim. P. 11(f), the Sentencing Guidelines or any other provision of the Constitution or federal law.

Any alleged breach of this agreement by either party shall be determined by the Court in an appropriate proceeding at which the defendant's disclosures and documentary evidence shall be

admissible and at which the moving party shall be required to establish a breach of the plea agreement by a preponderance of the evidence. The proceeding established by this paragraph does not apply, however, to the decision of the United States whether to file a motion based on "substantial assistance" as that phrase is used in Rule 35(b) of the Federal Rules of Criminal Procedure and Section 5K1.1 of the Sentencing Guidelines and Policy Statements. The defendant agrees that the decision whether to file such a motion rests in the sole discretion of the United States.

15. Nature of the Agreement and Modifications

This written agreement constitutes the complete plea agreement between the United States, the defendant, and the defendant's counsel. The defendant and his attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in writing in this plea agreement, to cause the defendant to plead guilty. Any modification of this plea agreement shall be valid only as set forth in writing in a supplemental or revised plea agreement signed by all parties.

Paul J. McNulty
United States Attorney

By: _____
Dana J. Boente
Assistant United States Attorney

APPROVED:

Jack Hanly
Chief, Fraud Unit
Assistant United States Attorney

Date of Approval:

Defendant's Signature: I hereby agree that I have consulted with my attorney and fully understand all rights with respect to the pending criminal information. Further, I fully understand all rights with respect to 18 U.S.C. § 3553 and the provisions of the Sentencing Guidelines Manual that may apply in my case. I have read this plea agreement and carefully reviewed every part of it with my attorney. I understand this agreement and voluntarily agree to it.

Date: _____

Mary Jo Karczewski
Defendant

Defense Counsel Signature: I am counsel for the defendant in this case. I have fully explained to the defendant the defendant's rights with respect to the pending information. Further, I have reviewed 18 U.S.C. § 3553 and the Sentencing Guidelines Manual, and I have fully explained to the defendant the provisions that may apply in this case. I have carefully

reviewed every part of this plea agreement with the defendant.
To my knowledge, the defendant's decision to enter into this
agreement is an informed and voluntary one.

Date: _____

Timothy J. McEvoy
Counsel for the Defendant

U. S. DEPARTMENT OF JUSTICE

Statement of Special Assessment Account

This statement reflects your special assessment only. There may be other penalties imposed at sentencing.

ACCOUNT INFORMATION	
CRIM. ACTION NO.:	1:05CR37
DEFENDANT'S NAME:	Mary Jo Karczewski
PAY THIS AMOUNT:	\$200

INSTRUCTIONS:

- 1. MAKE CHECK OR MONEY ORDER PAYABLE TO:**
CLERK, U.S. DISTRICT COURT
- 2. PAYMENT MUST REACH THE CLERK'S OFFICE BEFORE YOUR SENTENCING DATE**
- 3. PAYMENT SHOULD BE SENT TO:**

	In person (9 AM to 4 PM)	By mail:
Alexandria cases:	Clerk, U.S. District Court 401 Courthouse Square Alexandria, VA 22314	
Richmond cases:	Clerk, U.S. District Court 1000 E. Main Street, #307 Richmond, VA 23219	
Newport News cases:	Clerk, U.S. District Court 101 - 25 th Street, 2 nd Floor Newport News, VA 23607	Clerk, U.S. District Court P. O. Box 494 Newport News, VA 23607
Norfolk cases:	Clerk, U.S. District Court 600 Granby Street Norfolk, VA 23510	

- 4. INCLUDE DEFENDANT'S NAME ON CHECK OR MONEY ORDER**
- 5. ENCLOSE THIS COUPON TO INSURE PROPER and PROMPT APPLICATION OF PAYMENT**

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division

UNITED STATES OF AMERICA)
)
 v.) CRIMINAL NO. 1:05CR37
)
MARY JO KARCZEWSKI)

WAIVER OF INDICTMENT

I, Mary Jo Karczewski, the above named defendant, accused of conspiracy to commit mail fraud in violation of Title 18, United States Code, Section 371, and bank fraud in violation of Title 18, United States Code, Section 1344 being advised of the nature of the charges, the proposed information, and of my rights, hereby waive in open court prosecution by indictment and consent that the proceeding may be by information rather than by indictment.

Date: _____

Mary Jo Karczewski
Defendant

Timothy J. McEvoy
Counsel for Defendant

Before: _____
UNITED STATES DISTRICT JUDGE